

CERTIFIED TRANSLATION



COOPERATIVA DE AHORRO Y CREDITO VEGABAJEÑA, INC.

Box 4622 Vega Baja, Puerto Rico 00694
Telephone: (787) 855-3442/855-3466

Statement of Consumer Credit Cost

Loan Number _____ Date _____
Main Debtor _____ Type of Loan _____
Address _____ Social Security _____
_____ Application number _____

THIS PROMISSORY NOTE EVIDENCES YOUR LOAN WITH THE COOPERATIVA DE AHORRO Y CRÉDITO VEGABAJEÑA, IN IT, THE WORDS "YOU", "YOU"[plural], "YOUR" AND "DEBTOR" MEAN THE SAME THING AND REFER TO EACH PERSON WHO SIGNS THIS PROMISSORY NOTE. THE WORD COOPERATIVA REFERS TO THE COOPERATIVA DE AHORRO Y CRÉDITO VEGABAJEÑA, THEREFORE, AT THE ORDER OF THE COOPERATIVA, THE SUM OF MONEY INDICATED BELOW AS LOAN AMOUNT, ACCORDING TO THE PAYMENT PLAN THAT IS INDICATED BELOW.

INT	ANNUAL PERCENTAGE RATE (APR) THE COST OF YOUR CREDIT AT A YEARLY RATE _____	FINANCE CHARGES THE DOLLAR AMOUNT THE CREDIT WILL COST YOU \$ _____	AMOUNT FINANCED THE AMOUNT OF CREDIT PROVIDED TO YOU OR ON YOUR BEHALF \$ _____	TOTAL PAYMENTS THE AMOUNT YOU WILL HAVE PAID AFTER YOU HAVE MADE ALL PAYMENTS AS SCHEDULED IN THE PAYMENT PLAN \$ _____
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The loan shall be payable on demand:

☒ Yes ☐ No

THE PAYMENT PLAN WILL BE:

NUMBER OF PAYMENTS	PAYMENT AMOUNT	PAYMENT DUE DATE
_____	\$ _____	STARTING: _____
_____	\$ _____	LAST PAYMENT: _____
		PAYMENT DUE DATE: The ____ day of each month

Guarantee: The collateral provided in security of other loans you have with the Cooperativa can also guarantee the payment of this loan.

I am giving as collateral my: ☒ Shares ☐ Deposits ☐ CD's ☒ RetSA Contributions

Deposit required: The Annual Percentage rate does NOT reflect the cost of your required deposit. It will be retained in the amount to pay \$10.00 shares.

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Late charges: For each monthly installment that is in arrears for more than fifteen (15) days, you will pay a charge of 5% of the payment amount due.

Early Cancellation: Shall be subject to a penalty of 1%

Read the promissory note for additional terms and conditions on your loan.

PROMISSORY NOTE

This Promissory Note evidences my loan with the Cooperativa de Ahorro y Crédito Vegabajeña, Inc. (hereinafter "Cooperativa"). In it, the words "I", "me", "my" mean the same thing and refer to each person who signs this promissory note as debtor. In consideration of a loan that the Cooperativa has granted me for the amount indicated above, I agree to pay the Cooperativa the indicated amount, including interest, in accordance with the payment plan previously established, and in the event that I am pensioner, payments will not exceed the equivalent of 25% of the monthly payment for my pension. I authorize these payments and any other applicable charge or penalty disclosed in this document to be deducted from my salary or pension, as the case may be, or from my contributions and interest to the Government Employees and Judiciary Retirement System Administration (hereinafter the "System"). The Cooperativa reserves the right to use any other method of reasonable collection such as: direct payment, deduction from deposit accounts or on demand in financial institutions, payroll deduction, among others.

I acknowledge that the Cooperativa must withhold at the date of this promissory note, the equivalent of two (2) monthly installments. The purpose of this withholding is to make sure that there are funds available to cover at least two months in the event that there is a delay on the part of my employer in establishing the corresponding payroll deduction at the beginning of the loan or to cover a month where, for reasons beyond my control, my employer has not fulfilled their responsibility to make the applicable payroll deduction and / or remit it to the Cooperativa. In the event that the Cooperativa does not have to use this withholding, they are authorized to prepay the last two (2) months and, therefore, shorten the maturity of the loan for two months.

In the event I leave the service voluntarily or involuntarily, or enjoy an unpaid leave, or I am temporarily suspended from work and salary, or my pension payment is suspended, or if for any reason the responsible agency does not make the monthly deduction that I authorize in this obligation, I commit myself to promptly remit the payment of the corresponding amount directly to the Cooperativa by debit card, check or money order in favor of it, according to the payment plan established.

I also authorize the agency or governmental entity in which I work and the Secretary of the Treasury to deliver to the Cooperativa any check that for whatever reason is issued to me by the Commonwealth of Puerto Rico in the event I stop working with the Government of Puerto Rico or when for any other reason I fail to comply with this obligation.

The amount owed shall be guaranteed by my contributions and interest to the System, or by the annuity or pension that I am receiving or will be receiving in the future; by the Debt Insurance in case of Death or by death benefits that in their day may correspond to my beneficiaries, heirs or successors; and by disability insurance. I understand and agree that the application of my



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contributions to the System to the debt that I guarantee herein will result in the loss of my pension rights or benefits that I may have.

Guaranteed Loan: This promissory note is guaranteed by an Assignment Agreement, granted on this same date, by which I have assigned to the Cooperativa a contingent lien of up to SIXTY FIVE PERCENT (65%) OR TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) whichever is less, of the amounts that I contribute by way of deduction of salary or remuneration, including interest, with the System.

For value received, we jointly and severally bind ourselves with our present and future assets, whether these be jointly or private, to pay to the COOPERATIVA (HEREINAFTER "the creditor"), the sum indicated as AMOUNT FINANCED, in the lawful money of the United States of America, with interest on the outstanding balance until paid in full. All installments are not satisfied prior to the deadline of the next monthly installment, or in any of the following instances:

- If the undersigned fail to comply with any other obligation to the Creditor; in the event of death of any of the undersigned in the absence of insurance coverage, for the total balance of the debt;
- If any property of the undersigned is placed under the custody of a Court of Justice, including the filing of any proceeding for the collection of money against them;
- If the Holder, in good faith, determines that the probabilities of payment or fulfillment of this obligation diminish;
- If any party responsible for the debt, or credit herein constituted, recognized or secured, file a petition under the Bankruptcy Act; assigns or transfers for the benefit of any creditor, or has been declared "bankrupt" or insolvent;
- If the undersigned fail to pay a monthly payment, the creditor may declare the debt due and request payment by the means they deem appropriate, including the judiciary. The total of shares guaranteeing the debt will be pledged until the total payment of the loan. All loans granted will be paid by payroll deduction.

In any of the above instances, the Creditor of the debt that is constituted by way of this promissory note remains and is authorized, at their option, without need of notice and without affecting the lien hereby constituted or their preferential rank or other right in the benefit of the Creditor, to declare without prior notice expired and payable all sums owed and guaranteed by the present promissory note, in order to assert or enforce all the rights of the Creditor; and proceed to execute and/ or demand for the full and immediate payment of this debt, pursuant to the laws of the Commonwealth of Puerto Rico. In case the payment of any installment for this obligation is delayed by more than fifteen (15) days, we jointly and severally bind ourselves with our present and future assets, whether these be jointly or private, to pay the Holder a late payment charge of five percent (5%) for each overdue installment or 0.05 cents for each Dollar (\$1.00) whose payment is in arrears in excess of this term (calculated on the total monthly payment).

The undersigned authorize the Creditor that at any time after one (1) overdue installment, proceed to reduce what is owed by way of this obligation or pay the amount, offsetting with what the Cooperativa owes in respect of deposits or for any other reason, to all or any of the undersigned. They further agree that the Creditor may, at their option at any time, whether the debt is due or not, reduce what is owed according to the obligation herein contracted by recounting such amount of the Shares, Deposits, Savings Certificates, and other credits of any and all of the undersigned, including

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the account that shall be established for the granting of the loan whose debt is evidenced in the present promissory note. The undersigned are obliged not to use or withdraw their assets from the Cooperativa.

In Case: of arrears or default of one or more payments; the undersigned agree to pay the collection expenses as well as the legal fees inherent to the extrajudicial claim. Should judicial collection is filed, the procedure will be as established below. The undersigned of this obligation authorize the Creditor and acknowledge their power to include as part of the monthly payment of this obligation, in addition to the amounts of principal, interest, and insurance, if any, the amounts corresponding to the payment of said actions shall be considered as a breach of this obligation as well as the nonpayment of principal and interest of it. [sic]

In addition, all the undersigned of this obligation are aware that their assets, including the shares and deposits they have in the Cooperativa at the time of signing this promissory note, are levied and guarantee the breach of this and any other debt they have with the Cooperativa, being understood that if the undersigned acquire more assets in the Cooperativa after the signing of this promissory note, said subsequent assets also guarantee the obligation contracted herein as well as any other debt they have with the Cooperativa. If the undersigned had more than one debt with the Cooperativa, including the one that is hereby evidenced, and the Cooperativa chooses to amortize or cancel said debts with said assets, the Cooperativa shall have the capacity and the undersigned accept this, to impute the assets of the undersigned in the form and manner the Cooperativa determines.

The exercise or use of any these rights by the Cooperativa does not alter this obligation or the responsibility of the undersigned of this promissory note. In the event that the undersigned pay off the loan prior to its expiration, the Cooperativa will impose an indemnity that will not exceed one percent (1%) of the principal balance paid in advance. The undersigned further understand that each person signing this promissory note is totally and personally bound to comply with all the commitments made therein, including the payments of the amounts owed. Any person who is guarantor, surety or endorser of this Promissory Note, is also obliged to comply with the provisions.

The Cooperativa may assert its rights under this Promissory Note against each person individually or against all the signatories jointly, and obtain the payment of the debt, evidenced by this Promissory Note, against present and future assets of these, including jointly and private assets. Any undersigned of this Promissory Note may be required to pay all amounts owed under it and shall respond with all their personal and future assets, jointly or private.

Consequently, the undersigned bind themselves, jointly and severally with their present and future assets, whether they are joint or private, to the payment of this obligation, the costs, expenses and attorneys' fees that this Cooperativa uses in the event of a judicial claim. For costs, expenses and attorneys' fees, the sum of thirty-three percent (33%) of the principal balance owed by this Promissory Note is agreed, as a liquid and enforceable sum for the mere fact of filing the lawsuit. The undersigned expressly submit themselves to the jurisdiction of the Courts of Justice of Puerto Rico and hereby waive the rights of Presentation, protest, notice and demand for payment.



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The use of the plural in this document will be considered singular when it has been signed by one person. By signing this Promissory Note, the undersigned acknowledge receipt of a duly completed copy thereof.

AGREEMENT AND AUTHORIZATION TO DEBIT FOR LOANS

I agree and authorize the Cooperativa to withdraw from my Assets (meaning here Shares, Savings, Certificates, Checking Accounts, etc.) the monthly payment(s) of my loan in arrears, including interest and accrued surcharges and/ or pay off the debt in full, if necessary, for breach of contract. These payments and/ or total settlement shall be made whenever my debt reflects two or more months in arrears without any other communication from the Cooperativa.

NOTICE TO THE CODEBTOR

You have been asked to guarantee this debt. Think carefully before doing it. If the debtor does not pay the debt you must pay it. Make sure you have to pay for it [sic], if you have to, and whether you want to accept that responsibility. You may have to pay the full amount of the debt if the Debtor does not pay it. You may have to pay late charges or debt collection expenses, which may increase the amount. The Creditor can collect the debt from you before the debtor. The Creditor can use the same methods of collection of the debt that can be used against the debtor, such as, file a suit against you in the Courts, seize salaries, freeze available assets, etc. If this debt is in arrears, this fact can be part of your credit history. This Notice is not the contract that makes you responsible for the debt.

BREAKDOWN OF THE AMOUNT FINANCED

Amount Received	Amount Applied to my shares	Amount Applied to my Loans and Interest			Life insurance	
					Life	Disability
Amounts paid to others in my name:		Penalty	Interest	Amount of payments withheld	Amount Financed	

I have read this information and agree with it: I certify that I have received a copy of this form of Disclosures and Promissory Note duly completed.

In Vega Baja, Puerto Rico _____, 20____.

Name of Debtor

Debtor's Signature

Tutor's Name

Tutor's Signature

Name of Representative

Representative's Signature

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